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Pro se, for services rendered as Special Litigation Counsel to
the Debtors, Smart World Technologies, LLC, et al.

UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

In re:

SMART WORLD TECHNOLOGIES, LLC, et
al.,

Debtors.

Chapter 11

Case Nos. 00-41645 through 00-
41647 (JMP)

(Substantively Consolidated)

**DESIGNATION OF RECORD ON APPEAL AND STATEMENT OF
ISSUES TO BE PRESENTED REGARDING ORDER ALLOWING
FINAL COMPENSATION AND REIMBURSEMENT OF EXPENSES
AND DISBURSEMENTS DATED MARCH 23, 2007, AND ENTERED
ON MARCH 28, 2007**

With reference to its appeal of the Order Allowing Final Compensation and Reimbursement of Expenses and Disbursements (the “Final Fee Order”) of The Honorable James M. Peck, U.S.B.J., dated March 23, 2007, and entered on the docket in United States Bankruptcy Court for the Southern District of New York (the Bankruptcy Court”) on March 28, 2007, Riker, Danzig, Scherer, Hyland & Perretti LLP (“Riker Danzig” or the “Appellant”), *pro se*, in respect of its claims for services rendered as

special litigation counsel to the debtors and debtors-in-possession herein, Smart World Communications, Inc., Smart World Technologies, LLC and Freewwwweb, LLC (collectively, the “Debtors”), designates the following items to be included in the record on appeal:¹

**From the Docket of
In re Smart World Technologies, LLC,
Case No. 00-41645**

1. Application to Retain Riker, Danzig, Scherer, Hyland & Perretti LLP as Special Litigation Counsel to the Chapter 11 Debtors filed by Warren J. Martin Jr. on behalf of Smart World Technologies, LLC, filed on August 1, 2000, Docket No. 84.
2. Objection of the United States Trustee to Application to Retain Riker, Danzig, Scherer, Hyland & Perretti LLP as Special Litigation Counsel to the Chapter 11 Debtors filed by Patricia Heather Schrage on behalf of United States Trustee, filed on November 9, 2000, Docket No. 133.
3. Objection of Juno Online Services, Inc. to Application to Retain Riker, Danzig, Scherer, Hyland & Perretti LLP as Special Litigation Counsel to the Chapter 11 Debtors filed by Lawrence P. Gottesman on behalf of Juno Online Services, Inc., filed on November 13, 2000, Docket No. 141.
4. Transcript of Hearing Held on November 14, 2000 Approving Retention of Riker, Danzig, Scherer, Hyland & Perretti LLP as Special Litigation Counsel to the Chapter 11 Debtors filed by Veritext LLC, filed on February 22, 2007, Docket No. 530.
5. Order Signed on November 16, 2000 Authorizing and Approving Debtors-In-Possession's Retention of Special Litigation Counsel, Docket No. 159.
6. Final Application for Final Professional Compensation for Allowance of Fees and Reimbursement of Expenses for Riker, Danzig, Scherer, Hyland & Perretti LLP filed by J. Alex Kress on behalf of Riker, Danzig, Scherer, Hyland & Perretti LLP, filed on January 18, 2007, Docket No. 512.
7. Objection to Final Application for Final Professional Compensation for Allowance of Fees and Reimbursement of Expenses for Riker, Danzig, Scherer, Hyland & Perretti LLP filed by Andrew T. Solomon on behalf of Paula and Steven Daum, filed on February 13, 2007, Docket No. 522.
8. Objection to Final Application for Final Professional Compensation for Allowance of Fees and Reimbursement of Expenses for Riker, Danzig, Scherer, Hyland & Perretti LLP filed by Laurence May on behalf of the Official

¹ Each designated document includes any and all attachments and exhibits.

Committee of Unsecured Creditors of Smart World Technologies, Inc., filed on February 14, 2007, Docket No. 523.

9. Objection to Final Application for Final Professional Compensation for Allowance of Fees and Reimbursement of Expenses for Riker, Danzig, Scherer, Hyland & Perretti LLP filed by Brian Shoichi Masumoto on behalf of United States Trustee, filed on February 14, 2007, Docket No. 524.
10. Reply to Compensation Objections of Paula and Steven Daum, the Creditors' Committee and the United States Trustee filed by J. Alex Kress on behalf of Riker, Danzig, Scherer, Hyland & Perretti LLP, filed on February 19, 2007, Docket No. 525.
11. Transcript of February 21, 2007 Hearing re: Motions on Final Fee Applications filed by Veritext LLC, filed on March 2, 2007, Docket No. 528.
12. Transcript of March 22, 2007 Hearing re: Motions on Final Fee Applications filed by Regency Reporting, Inc., filed on March 27, 2007, Docket No. 533.
13. Order on Final Fee Applications Granting Application for Final Professional Compensation, signed on March 23, 2007, and entered on March 28, 2007, Docket No. 532, awarding, *inter alia*, Riker, Danzig, Scherer, Hyland & Perretti LLP fees of \$1,207,816.00 and expenses of \$73,981.18,.
14. Notice of Appeal of Order on Final Fee Applications filed by J. Alex Kress on behalf of Riker, Danzig, Scherer, Hyland & Perretti LLP, filed on April 2, 2007, Docket No. 534.
15. Notice of Cross-Appeal filed by Bonnie Lynn Pollack on behalf of Official Committee of Unsecured Creditors, filed on April 4, 2007, Docket No. 537.

**From the Docket of
Juno Online Services, Inc. v. Smart World Technologies, LLC, et al.,
Adv. Proc. No. 00-2660**

16. So Ordered Stipulation and Order Establishing Discovery Schedule, signed and entered on November 21, 2005, Docket No. 62.
17. Notice of Proposed Order on Remand Reversing Findings of Fact, Conclusions of Law and Order Approving Amended Stipulation of Settlement and Granting Related Relief, Including Injunctive Relief, filed by J. Alex Kress on behalf of Freewwwweb, LLC, Smart World Communications, Inc., Smart World Technologies, LLC, filed on February 13, 2006, Docket No. 65.
18. Order On Remand Reversing Findings of Fact, Conclusions of Law and Order Approving Amended Stipulation of Settlement and Granting Related Relief, Including Injunctive Relief Dated September 10, 2003, and Entered September 20, 2003, signed and entered on March 10, 2006, Docket No. 66.
19. Motion to Extend Time Debtors' Motion Pursuant to Fed. R. Civ. P. 16(b) and Fed. R. Bankr. P. 7016 Extending the Discovery End Date and Granting Informal Conference Pursuant to Local Bankruptcy Rule 7007-1(b) and Rule 37.2 of the

Local Rules for the United States District Court for the Southern District of New York, filed by J. Alex Kress on behalf of Freewwwweb, LLC, Smart World Communications, Inc., Smart World Technologies, LLC, filed on September 14, 2006, Docket No. 68.

20. Order Extending Discovery End Date, signed on October 13, 2006, and entered on October 16, 2006, Docket No. 73.

STATEMENT OF ISSUES TO BE PRESENTED

1. Whether the Bankruptcy Court erred in concluding that the terms of Riker Danzig's retention were "improvident based on developments not capable of being anticipated" at the time of the retention?

2. Whether the Bankruptcy Court erred in concluding that it was "not capable of being anticipated" that the Debtors would have a different view of the value of their claims against Juno Online Services, Inc. than the Official Committee of Unsecured Creditors?

3. Whether the Bankruptcy Court erred in concluding that it was "not capable of being anticipated" that Riker Danzig, as special litigation counsel to the Debtors, would follow the directions of the Debtors in objecting to a settlement and a proposed plan incorporating a settlement when the Debtors believed that the settlement was less than the value of the Debtors' claims?

4. Whether the Bankruptcy Court erred in concluding that the terms of Riker Danzig's retention were "improvident" when the Bankruptcy Court failed to find that Riker Danzig's retention was approved "without adequate consideration," "without proper information," or "based upon a mistaken assumption or misleading information or advice?"

5. Whether the Bankruptcy Court erred in concluding that the proceedings were unusually contentious or prolonged?

6. Whether the Bankruptcy Court erred in reducing Riker Danzig's fees based on its generalized notions of reasonableness and fairness when Riker Danzig's retention on a contingency fee basis clearly was pre-approved under Bankruptcy Code § 328(a)?

7. Whether the Bankruptcy Court otherwise erred in reducing Riker Danzig's fees from the amount due under its pre-approved contingency fee arrangement?

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Pro se, for services rendered as Special
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Technologies, LLC, et al.

By: s/ J. Alex Kress
J. Alex Kress
(NJ Fed. Bar ID No. JK-7189)

Dated: April 12, 2007
at Morristown, New Jersey